

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2004-126-E - ORDER NO. 2007-273
MAY 18, 2007

IN RE: Proceeding to Review the Gas Supply)	ORDER APPROVING
Agreement Between South Carolina Electric)	GAS SUPPLY
& Gas Company and SCANA Energy)	AGREEMENT AND
Marketing, Inc.)	PROTECTIVE ORDER

I. Approval of Gas Supply Agreement

This proceeding began on April 29, 2004 when the Public Service Commission of South Carolina ("Commission") established Docket No. 2004-126-E to review the Gas Supply Agreement between South Carolina Electric & Gas Company ("SCE&G") and SCANA Energy Marketing Inc. ("SEMI"). The following were parties in the proceeding:

1. SCE&G;
2. The South Carolina Department of Consumer Affairs ("Consumer Advocate");
3. Columbia Energy, LLC ("Columbia Energy"); and
4. South Carolina Energy Users Committee ("SCEUC").

In April 2005, Columbia Energy, through counsel, requested leave to withdraw its intervention in this docket. Without objection, the Commission approved Columbia Energy's request to withdraw its intervention in Order No. 2005-209 issued on April 22, 2005.

By letter dated August 28, 2006, SCEUC stated that it would “offer no objection to the approval of the Gas Supply Agreement by the Public Service Commission.”

Under the provisions of 2004 S.C. Act No. 175, the Office of Regulatory Staff was statutorily substituted for the Consumer Advocate in the above-captioned proceeding on January 1, 2005. By letter dated September 6, 2006, ORS stated that it “has no objection to approval of the Gas Supply Agreement between SCE&G and SEMI.”

All parties of record have either withdrawn from this docket or have stated no objection to approval of the Gas Supply Agreement between SCE&G and SEMI. Based upon SCE&G’s unopposed request that the agreement be approved, the Commission has therefore examined the terms of the Gas Supply Agreement and finds the terms are fair and reasonable. Accordingly, the agreement should be approved.

II. Protective Order

SCE&G requests that the Commission issue an order protecting the Agreement from public disclosure. In the course of this proceeding, SCE&G disclosed the Agreement pursuant to individually executed confidentiality agreements. SCE&G states the Agreement contains proprietary and/or commercially sensitive and/or competitively sensitive and/or trade secrets information and such information should not be made available to the public because of the potential harm to SCE&G’s business interest that may result. Based upon these assertions and the Commission’s careful examination of the terms of the Agreement, the Commission finds that the Agreement contains detailed information concerning SCE&G’s business and practices which is sensitive and which should be kept confidential and non-public.

The South Carolina Freedom of Information Act (“FOIA”) allows exemption from disclosure of proprietary business information that meets a definition of “trade secrets.” S.C. Code Ann. Section 30-4- 40(a)(1) states that matters which may be exempt from FOIA include: “(1) Trade secrets, which are defined as unpatented, secret, commercially valuable plans, appliances, formulas, or processes Trade secrets also include, for those public bodies who market services or products in competition with others, feasibility, planning, and marketing studies, and evaluations and other materials which contain references to potential customers, competitive information or evaluation.”

Based upon a review of the information that SCE&G seeks to protect, we find that the information contained in the Gas Supply Agreement in this docket falls within the definition of materials which may be exempted from disclosure under FOIA. Further, because of the potential harm to SCE&G’s business and practices, we find a protective order should be issued protecting the redacted information from public disclosure.

III. SEMI/BG LNG Contract

SCE&G further requests that the Commission issue an order directing the Commission Staff to return copies of an agreement between SEMI and BG LNG Services, LLC. During the discovery phase of this docket and pursuant to the terms of a Confidentiality Agreement between the Commission Staff and SCE&G dated May 7, 2004, SCE&G provided the Commission Staff with an unredacted copy of an agreement between SEMI and BG LNG Services, LLC. SCE&G states that this non-regulated agreement is highly confidential, commercially sensitive, and not the subject of this docket. Based upon these assertions and the Commission’s examination of the terms of

the agreement and the Confidentiality Agreement executed by the Commission Staff in this matter, the Commission agrees with SCE&G and so finds that the agreement is highly confidential and commercially sensitive, a non-regulated agreement, and not the subject of this docket. The Commission therefore directs the Commission Staff to return any and all copies of the contract (whether redacted or unredacted) to SCE&G without a copy or copies being maintained in the Commission's files.

IT IS THEREFORE ORDERED THAT:

1. The Gas Supply Agreement between South Carolina Electric & Gas Company and SCANA Energy Marketing, Inc. for the provision of gas to the Jasper County Generation Project is fair and reasonable and is hereby approved.

2. The Motion of SCE&G for confidential treatment is granted. Accordingly, the Agreement shall be declared confidential, shall be afforded confidential treatment, and shall be protected from public disclosure. A redacted version of the Agreement will be made available for public review.

3. The Commission Staff is directed to return any and all copies of the agreement between SEMI and BG LNG Services, LLC to SCE&G without maintaining a copy in the Commission's files.

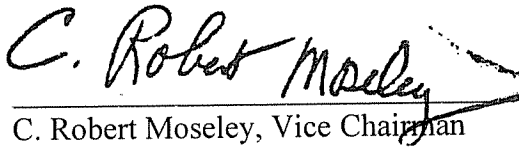
4. This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



G. O'Neal Hamilton, Chairman

ATTEST:



C. Robert Moseley, Vice Chairman

(SEAL)